



THE SAVVY CONSUMER COLUMN

The Savvy Consumer

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Snag these tips for purchasing gift cards this holiday season

What typically is the year's busiest shopping season is upon us. And, even with a national economic downturn sapping consumer confidence, gift cards are a sure bet to remain hot sellers. You can find department stores' gift cards not only in the chains' retail locations but also being sold in grocery stores and drugstores. Many consumers see gift cards as reliable standbys for friends and relatives who seem to already have everything. For them, a gift card from a favorite store can be ideal.

But, despite all the conveniences of gift cards, savvy consumers should take steps to ensure stores' fine-print policies don't translate into buyer's remorse during the holiday season:

1. **Check expiration dates and fees.** In the state of Tennessee, expiration dates, fees and other terms must be clearly disclosed at the time of purchase. The expiration date and fee must be legibly printed on the gift card.
2. **Ask about restrictions.** Some card issuers deduct a monthly fee from the card or apply inactivity fees, if a card has not been used for a period of time. These fees will reduce the value of the card. Some gift cards do not allow cash refunds for a remaining balance on a card. You will have to either forfeit the balance or buy additional items.
3. **Know what it will cost.** Major shopping mall operators charge fees for gift cards. Gift cards issued by banks and credit card companies often expire and tend to add fees. Fees – including activation fees, transaction fees, maintenance fees and inactivity fees – can lessen a card's value.
4. **Ask what to do if the card is stolen.** Always keep a receipt. Since gift cards are not usually registered to an individual purchaser, they can be easily stolen. Some stores urge customers to access their store website and register cards in case they're stolen.
5. **Check on purchase exemptions.** Ask if the card may be used at both a store's physical location and the store's website. Also ask if the card may be used at other locations, not just the specific store where the card was purchased.
6. **Get as much information as possible for the card's recipient.** Ask for a toll-free phone number, in case there are problems with the gift card. Ask if a website that provides gift card details is available.

Consumer Affairs is here to help you understand your rights and responsibilities, to resolve complaints through the mediation process, to investigate violations of the state Consumer Protection Act, and to clarify consumer protection laws. We are here to help consumers and business owners who have been affected by unfair business practices. Feel free to call Consumer Affairs at 1-800-342-8385. Or visit our web site, where consumers can get tips on everything from avoiding investment scams to picking a home repair contractor. You can find this information at www.tennessee.gov/consumer.